



September 22, 2015

School Funding Interim Commission 2015-16
PO Box 201706
Helena, Montana 59620-1706

Re: **Public Comment for Commission Work Sessions**

To Whom It May Concern:

Thank you for the opportunity to provide you with comments regarding the work of the Interim Commission regarding the important issue of school funding. I work with K-12 schools in large and small communities across Montana and across the United States on comprehensive planning processes to address long-term needs of schools and communities.

During the preliminary planning efforts I often utilize the State of Montana Facility Condition Inventory from 2008 in order to understand basic technology needs and the condition of school facilities. The resources allocated to the 2008 report required a rapid assessment of school facility conditions in a short time period.

In 2009 CTA conducted detailed facility assessments and detailed energy audits for more than twenty large and small school districts. Based upon those studies, it appears that the State of Montana report underestimated the deficiencies in facilities by about 20% and underestimated the replacement cost by about 30%. In one comparison, the State of Montana report identified that 28 of 34 facilities were in Good condition with only 6 of 34 facilities being in Fair condition, whereas the more detailed report from 2009 identified 7 in Good condition, 14 in Fair condition and 13 in Poor condition. 3 of those 13 facilities were approaching need for replacement.

The replacement costs in the 2008 report included a variable based upon the construction type associated with schools built in 1900, the 1920's, 1950's, 1960's, etc. It seems unlikely that contemporary schools would replicate those types on construction, and that the replacement cost assumptions could be simplified to current construction techniques.

A significant variable in construction cost in Montana can be found in size and location of school facilities, with costs generally being higher in smaller facilities and more remote locations than in larger facilities in our larger communities. Maintaining variable for facility size and regional conditions would be helpful.

The 2008 report provides a useful benchmark of gross square footage of school facilities across the state but does not identify districts that fall well below or well above regional averages for facilities in relation to the number of students served. That analysis could help communities prioritize investments in facilities and would likely reduce the deferred maintenance associated with excess facilities that might be sold to public or private organizations.

We are now approaching 8 years since the report was developed. When considering escalation in deferred maintenance and replacement costs, the total needs of schools across Montana are

likely to have risen at least 25%. Of course some communities have made significant investments in school facilities in the past 8 years, while others have struggled to pass a bond of building reserve.

If the Interim Commission were to consider updating the 2008 report, I recommend the following.

1. Update the costs associated with the deferred maintenance items by 20% rather than sending assessment teams back to each school to confirm each item.
2. Account for inflation in the construction industry over the past 8 years.
3. Modify the replacement cost assumptions to reflect current construction costs, with variables for school size and location.
4. Calculate the gross square footage per student in order to identify districts that fall well below or well above regional averages for facilities in order to conduct a follow-up assessment.

Thank you for your service to the people of Montana and for your commitment to addressing the challenge of school funding.

Sincerely,

CTA ARCHITECTS ENGINEERS

A handwritten signature in black ink, appearing to read "Nick P. Salmon", followed by a horizontal line.

Nick Salmon
Recognized Educational Facility Planner

cc: File